

**51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Aduro Clean Technologies Inc. (the “**Company**” or “**Aduro**”)  
Suite 104, 1086 Modeland Road  
Sarnia, Ontario, Canada, N7S 6L2

**Item 2 Date of Material Change**

April 8, 2022.

**Item 3 News Release**

The news release dated April 12, 2022 was disseminated via Accesswire.

**Item 4 Summary of Material Change**

The Company announced that it has closed a first tranche of its previously announced non-brokered unit offering (the “**Offering**”). The Company issued an aggregate of 2,226,036 units (the “**Units**”) at a price of \$0.70 per Unit for aggregate gross proceeds of C\$1,558,225. The Company may complete additional tranches of the Offering for cumulative gross proceeds of up to \$2 million.

Each Unit is comprised of one common share of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant will entitle the holder to acquire one additional Common Share at a price of \$1.00 per share, for a period of two years from the date the Units are issued. If during the exercise period of the Warrants, but after the resale restrictions on the shares have expired, the Company's shares trade at or above a weighted average trading price of \$1.25 per share for ten (10) consecutive trading days, the Company may accelerate the expiry time of the Warrants by giving written notice to warrant holders by dissemination of a news release that the Warrants will expire 30 days from the date of providing such notice.

Of the 2,226,036 Units issued, 149,983 Units were issued to directors of the Company for gross proceeds of \$104,988. The issuance of the Units to the directors of the Company were “related party transactions” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company relied on section 5.5(b) of MI 61- 101 for an exemption from the formal valuation requirements of MI 61- 101 in respect of the Units issued to the directors of the Company as no securities of the Company are listed on a specified market as defined in MI 61- 101. Aduro relied on section 5.7(a) of MI 61-101 for an exemption from the minority approval requirements of MI 61-101 in respect of the Units issued to the directors of the Company as neither the fair market value of the Units issued to the directors of Aduro, nor the consideration paid for the Units issued to them, exceeded 25% of the Company’s market capitalization. No additional insiders or related parties of the Company participated in the first tranche of the Offering and no new insiders or control persons were created in connection with the closing of the first tranche of the Offering.

In connection with the closing of the first tranche, the Company paid \$80,304 in finder's fees, equal to 7% of the gross proceeds raised and issued 114,720 finder's warrants which entitle the holder thereof to purchase one additional Common Share at a price of \$1.00 per Common Share at any time prior to April 8, 2024.

The proceeds of the first tranche of the Offering will be used for general working capital purposes. The securities issued in the first tranche of the Offering are subject to a four month hold period from the date of issuance.

Because of the strong interest shown in the Offering, in addition to other prospectus exemptions commonly relied on in private placements, any further tranches of the current Offering will be available to existing shareholders of the Company who, as of the close of business on April 11, 2021 (the "**Record Date**") held Common Shares of the Company (and who continue to hold such Common Shares as of the closing date), pursuant to the prospectus exemption set out in BC Instrument 45-534 – *Exemption from prospectus requirement for certain trades to existing securityholders* and in similar instruments in other jurisdictions in Canada (the "**Existing Shareholder Exemption**"). As at the date hereof, the Existing Security Holder Exemption is available in each of the provinces of Canada, with the exception of Newfoundland and Labrador. The Existing Shareholder Exemption limits a shareholder to a maximum investment of \$15,000 in a 12-month period unless the shareholder has obtained advice regarding the suitability of the investment and, if the shareholder is resident in a jurisdiction of Canada, that advice has been obtained from a person that is registered as an investment dealer in the jurisdiction. Shareholders that subscribe for Units under the Existing Shareholder Exemption will, among other things, need to represent in writing that they meet applicable requirements of the Existing Shareholder Exemption, including that, on or before the Record Date, such person became and continues to be a shareholder of the Company.

The Company will also make any further tranches of the Offering available to certain subscribers pursuant to BC Instrument 45-536 – *Exemption from prospectus requirement for certain distributions through an investment dealer* (the "**Investment Dealer Exemption**"). In accordance with the requirements of the Investment Dealer Exemption, the Company confirms that there is no material fact or material change about the Company that has not been generally disclosed.

The proceeds of any further tranches of the Offering are expected to be used for general working capital purposes.

None of the securities acquired in the Offering will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

## Item 5 Full Description of Material Change

### Disclosure Required by MI 61-101

Pursuant to MI 61-101, the Offering constitutes a “related party transaction” as related parties of the Company participated in the Offering.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

*(a) a description of the transaction and its material terms:*

The Company entered into a subscription agreement with Ofer Vicus, the Chief Executive Officer and a director of the Company, whereby Mr. Vicus agreed to purchase 28,571 Units of the Company at a price of \$0.70 per Unit for proceeds of \$19,999.70.

The Company entered into a subscription agreement with William Marcus Trygstad, the Chief Technology Officer and a director of the Company, whereby Mr. Trygstad agreed to purchase 28,570 Units of the Company at a price of \$0.70 per Unit for proceeds of \$19,999.00.

The Company entered into a subscription agreement with Chris Parr, a director of the Company, whereby Mr. Parr agreed to purchase 28,571 Units of the Company at a price of \$0.70 per Unit for proceeds of \$19,999.70.

The Company entered into a subscription agreement with Edge Financial Consulting Services Corp. (“**Edge Financial**”), a company wholly owned by Peter Kampian, a director of the Company, whereby Edge Financial agreed to purchase 35,700 Units of the Company at a price of \$0.70 per Unit for proceeds of \$24,990.

The Company entered into a subscription agreement with Littlehorn Investments LLC (“**Littlehorn**”), a limited liability company controlled by James Scott, a director of the Company, whereby Littlehorn agreed to purchase 28,571 Units of the Company at a price of \$0.70 per Unit for proceeds of \$19,999.70.

*(b) the purpose and business reasons for the transaction:*

Proceeds of the Offering are anticipated to be used for working capital.

*(c) the anticipated effect of the transaction on the issuer’s business and affairs:*

The Offering will provide funds for working capital.

*(d) a description of:*

*(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:*

See item (a).

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

The following table sets out the effect of the Offering on the percentage of securities of the Company beneficially owned or controlled by Messrs. Vicus, Trygstad, Parr, Kampian and Scott:

Name and Position	Dollar Amount of Shares Purchased	Number of Securities Purchased	No. of Shares Held prior to Closing of the Private Placement	Percentage of Issued and Outstanding Shares prior to Closing of the Private Placement	No. of Shares Held After Closing of the Private Placement	Percentage of Issued and Outstanding Shares After Closing of the Private Placement
Ofer Vicus <i>Chief Executive Officer and Director</i>	\$19,999.70	28,571 Units	Undiluted: 19,462,521  Diluted: 31,721,619 <sup>(1)</sup>	Undiluted: 39.77% <sup>(2)</sup>  Diluted: 51.83% <sup>(3)</sup>	Undiluted: 19,491,092  Diluted: 31,778,761 <sup>(4)</sup>	Undiluted: 38.09% <sup>(5)</sup>  Diluted: 50.08% <sup>(6)</sup>
William Marcus Trygstad <i>Chief Technology Officer and Director</i>	\$19,999.00	28,570 Units	Undiluted: 2,504,576  Diluted: 5,177,360 <sup>(7)</sup>	Undiluted: 5.12% <sup>(2)</sup>  Diluted: 10.02% <sup>(8)</sup>	Undiluted: 2,533,146  Diluted: 5,234,500 <sup>(9)</sup>	Undiluted: 4.95% <sup>(5)</sup>  Diluted: 9.72% <sup>(10)</sup>
Chris Parr <i>Director</i>	\$19,999.70	28,571 Units	Undiluted: 776,111  Diluted: 1,026,111 <sup>(11)</sup>	Undiluted: 1.59% <sup>(2)</sup>  Diluted: 2.09% <sup>(12)</sup>	Undiluted: 804,682  Diluted: 1,083,253 <sup>(13)</sup>	Undiluted: 1.57% <sup>(5)</sup>  Diluted: 2.11% <sup>(14)</sup>
Peter Kampian <i>Director</i>	\$24,990.00	35,700 Units	Undiluted: 0  Diluted: 350,000 <sup>(15)</sup>	Undiluted: 0% <sup>(2)</sup>  Diluted: 0.71% <sup>(16)</sup>	Undiluted: 35,700 <sup>(17)</sup>  Diluted: 421,400 <sup>(18)</sup>	Undiluted: 0.07% <sup>(5)</sup>  Diluted: 0.82% <sup>(19)</sup>
James Scott <i>Director</i>	\$19,999.70	28,571 Units	Undiluted: 0  Diluted: 150,000 <sup>(20)</sup>	Undiluted: 0% <sup>(2)</sup>  Diluted: 0.31% <sup>(21)</sup>	Undiluted: 28,571 <sup>(22)</sup>  Diluted: 207,142 <sup>(23)</sup>	Undiluted: 0.06% <sup>(5)</sup>  Diluted: 0.40% <sup>(24)</sup>

<sup>(1)</sup> Comprised of: (i) 19,462,521 Common Shares held directly; (ii) 2,135,997 warrants, each of which is exercisable into one Common Share at a price of \$0.50 per Common Share until April 23, 2022 and 10,123,101 class B special warrants which are convertible, for no additional consideration, into Common Shares upon achievement of the Second Milestone (as defined in the securities exchange agreement dated October 22, 2020 between the Company, Aduro Energy Inc and the former shareholders of Aduro Energy Inc.), all of which may be exercised within 60 days.

<sup>(2)</sup> Based on 48,942,087 Common Shares outstanding prior to the completion of the Offering.

<sup>(3)</sup> Based on 61,201,185 Common Shares comprised of: (i) 48,942,087 Common Shares outstanding prior to the Offering, (ii) 2,135,997 Common Shares that may be issued on exercise of warrants of the Company and (iii) 10,123,101 Common Shares that may be issued on exercise of class b special warrants of the Company, all exercisable within 60 days.

- (4) Comprised of: (i) 19,491,092 Common Shares held directly; (ii) all of the convertible securities of the Company set out in footnote 1 and (iii) 28,571 Warrants, each of which is exercisable into one Common Share at a price of \$1.00 per Common Share until April 8, 2024, all of which may be exercised within 60 days.
- (5) Based on 51,168,123 Common Shares outstanding following the completion of the Offering.
- (6) Based on 63,455,792 Common Shares comprised of: (i) 51,168,123 Common Shares outstanding after the completion of the Offering; (ii) 2,164,568 Common Shares that may be issued on exercise of warrants and (iii) 10,123,101 Common Shares that may be issued on exercise of class B special warrants of the Company, all exercisable or convertible within 60 days.
- (7) Comprised of: (i) 2,504,576 Common Shares held directly; (ii) 1,108,457 options, each of which is exercisable into one Common Share, exercisable at a price of \$0.65 per Share until April 30, 2032; (iii) 272,564 warrants, each of which is exercisable into one Common Share at a price of \$0.50 per Common Share until April 23, 2022 and (iv) 1,291,763 class B special warrants which are convertible, for no additional consideration, into Common Shares upon achievement of the Second Milestone (as defined in the securities exchange agreement dated October 22, 2020 between the Company, Aduro Energy Inc and the former shareholders of Aduro Energy Inc.), all of which may be exercised within 60 days.
- (8) Based on 51,614,871 Common Shares comprised of: (i) 48,942,087 Common Shares outstanding prior to the Offering; (ii) 1,108,457 Common Shares that may be issued on exercise of options, (iii) 272,564 Common Shares that may be issued on exercise of warrants of the Company and (iv) 1,291,763 Common Shares that may be issued on exercise of class B special warrants of the Company, all exercisable within 60 days.
- (9) Comprised of: (i) 2,533,146 Common Shares held directly; (ii) all of the convertible securities of the Company set out in footnote 7 and (iii) 28,570 Warrants, each of which is exercisable into one Common Share at a price of \$1.00 per Common Share until April 8, 2024, all of which may be exercised within 60 days.
- (10) Based on 53,869,477 Common Shares comprised of: (i) 51,168,123 Common Shares outstanding after the completion of the Offering; (ii) 1,108,457 Common Shares that may be issued on exercise of options; (iii) 301,134 Common Shares that may be issued on exercise of warrants and (iv) 1,291,763 Common Shares that may be issued on exercise of class B special warrants of the Company, all exercisable or convertible within 60 days.
- (11) Comprised of: (i) 776,111 Common Shares held directly and (ii) 250,000 options, each of which is exercisable into one Common Share, exercisable at a price of \$0.65 per Common Share until April 30, 2032, all of which may be exercised within 60 days.
- (12) Based on 49,192,087 Common Shares comprised of: (i) 48,942,087 Common Shares outstanding prior to the Offering and (ii) 250,000 Common Shares that may be issued on exercise of options, all exercisable within 60 days.
- (13) Comprised of: (i) 804,682 Common Shares held directly; (ii) all of the convertible securities of the Company set out in footnote 11 and (iii) 28,571 Warrants, each of which is exercisable into one Common Share at a price of \$1.00 per Common Share until April 8, 2024, all of which may be exercised within 60 days.
- (14) Based on 51,446,694 Common Shares comprised of: (i) 51,168,123 Common Shares outstanding after the completion of the Offering; (ii) 250,000 Common Shares that may be issued on exercise of options and (iii) 28,571 Common Shares that may be issued on exercise of warrants, all exercisable or convertible within 60 days.
- (15) Comprised of 350,000 options, each of which is exercisable into one Common Share, of which 250,000 are exercisable at a price of \$0.65 per Common Share until April 30, 2032 and 100,000 are exercisable at a price of \$0.72 per Common Share until February 20, 2032, all of which may be exercised within 60 days.

- <sup>(16)</sup> Based on 49,292,087 Common Shares comprised of: (i) 48,942,087 Common Shares outstanding prior to the Offering and (ii) 350,000 Common Shares that may be issued on exercise of options, all exercisable within 60 days.
- <sup>(17)</sup> These Common Shares are held by Edge Financial.
- <sup>(18)</sup> Comprised of: (i) 35,700 Common Shares held indirectly through Edge Financial; (ii) all of the convertible securities of the Company set out in footnote 16 and (iii) 35,700 Warrants, each of which is exercisable into one Common Share at a price of \$1.00 per Common Share until April 8, 2024, all of which may be exercised within 60 days.
- <sup>(19)</sup> Based on 51,553,823 Common Shares comprised of: (i) 51,168,123 Common Shares outstanding after the completion of the Offering; (ii) 350,000 Common Shares that may be issued on exercise of options and (iii) 35,700 Common Shares that may be issued on exercise of warrants, all exercisable or convertible within 60 days.
- <sup>(20)</sup> Comprised of 150,000 options, each of which is exercisable into one Common Share, exercisable at a price of \$0.72 per Common Share until February 20, 2032, all of which may be exercised within 60 days.
- <sup>(21)</sup> Based on 49,092,087 Common Shares comprised of: (i) 48,942,087 Common Shares outstanding prior to the Offering and (ii) 150,000 Common Shares that may be issued on exercise of options, all exercisable within 60 days.
- <sup>(22)</sup> These Common Shares are held by Littlehorn.
- <sup>(23)</sup> Comprised of: (i) 28,571 Common Shares held indirectly through Littlehorn; (ii) all of the convertible securities of the Company set out in footnote 20 and (iii) 28,571 Warrants, each of which is exercisable into one Common Share at a price of \$1.00 per Common Share until April 8, 2024, all of which may be exercised within 60 days.
- <sup>(24)</sup> Based on 51,346,694 Common Shares comprised of: (i) 51,168,123 Common Shares outstanding after the completion of the Offering; (ii) 150,000 Common Shares that may be issued on exercise of options and (iii) 28,571 Common Shares that may be issued on exercise of warrants, all exercisable or convertible within 60 days.

*(d) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:*

A resolution of the board of directors was passed on April 8, 2022 which approved the Offering of which each of the directors abstained from voting in part. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

*(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:*

Not applicable.

*(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:*

*(i) that has been made in the 24 months before the date of the material change report:*

Not applicable.

*(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:*

Not applicable.

*(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:*

See item (a).

*(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:*

The Company relied on section 5.5(b) of MI 61- 101 for an exemption from the formal valuation requirements of MI 61- 101 in respect of the Units issued to the directors of the Company as no securities of the Company are listed on a specified market as defined in MI 61- 101. Aduro relied on section 5.7(a) of MI 61-101 for an exemption from the minority approval requirements of MI 61-101 in respect of the Units issued to the directors of the Company as neither the fair market value of the Units issued to the directors of Aduro, nor the consideration paid for the Units issued to them, exceeded 25% of the Company's market capitalization.

As this material change report is being filed less than 21 days before the closing of the Offering, there is a requirement under MI 61-101 to explain why the shorter period was reasonable or necessary in the circumstances. In the view of the Company, such shorter period was reasonable and necessary in the circumstances to improve the Company's financial position.

The material change is fully described in Item 4 above and in the attached news release which has been filed on SEDAR.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

Ofer Vicus, Chief Executive Officer  
Telephone: 604-362-7011

**Item 9 Date of Report**

April 18, 2022